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HOUSEHOLD CALENDAR

Planning Ahead for Family Expenditures

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★ JAN 8 1938 ★
U. S. Department of Agriculture

A radio talk by Dr. Louise Stanley, Bureau of Home Economics, delivered in the Department of Agriculture period of the National Farm and Home Hour, broadcast by a network of 48 associate NBC stations, Thursday, December 30, 1937.

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1938 is almost here.. But before we leave 1937 we want to tell you how much we appreciate your interest in our part of the Farm and Home Hour. And we also want your suggestions, as to how we may best serve your needs.

At this time each year we think in terms of taking stock. We stop to see where we stand and to take a look ahead. Commercial firms have to do this. And it's a pretty good thing for families to do it too. I thought I might help you by bringing to you some of the results of our family expenditure studies.

We are getting from this study many interesting facts as to how farm, village, and city families are spending their money. We are finding what they buy and the way in which their spending patterns differ. Some of these facts may help you in planning your expenditures for another year.

Suppose we take the farm family first. We are finding that the farm family is thrifty. That's no news. We are finding that it's generally well nourished, that it produces for itself some of the protective foods necessary to safeguard the diet. Also the farm family is far less isolated than it was a generation ago.

Then, we are finding that farm families are spending their money rather differently from the way they did in the early 20s. But now, as then, food ranks first. Clothing used to come second to food. But now the automobile has pushed its way up to second place in family expenditures, just as soon as the income gets to the point where it supplies more than food and shelter and clothing. In other words when the family is in a position to make a choice, it buys a car rather than more clothes.

To the farm family this increasing use of the car has brought more opportunity for social contacts, more recreation. It means that farm men and women can get together and talk over their problems at meetings. Hold group discussions, in other words. In general, it means a better rounded, more satisfying life. The car from the farm home and the village isn't used so much for joy-riding as to help it "go places". It makes it possible for you to visit some of our national parks and wonder places, as well as to make a trip now and then to the big city.

I like to think of farming as a way of living as well as a business. As all of you who live on farms know, a goodly share of the family living

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comes as food and fuel directly from the farm. It comes "in kind". You don't have to spend cash for it.

But maybe you'll be surprised at the figures we've found. On some farms the food and fuel add over \$600 to the family income for a year.

Naturally this varies in different parts of the country. But more than 2/3 of farm families have their own eggs and poultry. Over half have their own milk. Half or more have potatoes and other vegetables and fruits from the garden.

When we analyzed the diets we found this: The farm family generally fares better than the city family. Judged by standards of nutrition almost twice as many farm families as city workers had good diets.

I have been speaking of family expenditures on the farm.

The picture with the village and small city families was somewhat different. There more of the cash had to go for food. Nutritionally speaking, the diets were progressively less good as we go from the farm to the village to the city. The home garden and the family cow play a big part in bettering the family's nutrition.

Diets not only vary with town and city and country, they also vary in different parts of the country. But everywhere there's still room for improvement, not only by producing more and better food at home but also by wiser food buying.

So, during the coming year you may expect to hear more about the farm garden and the family cow and the family food budget.

In general, village and small city families, like the farm family, are spending less in proportion for clothes and more on the family car. And this tendency develops varied economic and cultural interests among village and small city families just as it does among farm families.

Now, let's consider the question of family savings. Here the farm family comes out ahead. Just as soon as the farm family buys the things it absolutely needs, then it begins to lay by. As the economists say, there's "increase in net worth". But with the village and city family, this tendency to "lay by" is not so pronounced. Why? Your guess is as good as mine. I think though the farm family doesn't try so hard to "keep up with the Joneses". It puts more emphasis on real values. For many farm families there's more incentive to save, oftentimes to pay for the farm.

I am sure when you see the facts coming out of this study and the figures and graphs, you will be inspired to compare your own spending with that of families of similar income and size. So be ready for the publications which we plan to issue in the coming year. As a starter, you'll want to get to work now and keep your accounts this year - - - set up a net worth statement, estimate your income, plan your budget for the coming year. Then you'll have your own records to compare with the averages from different parts of the country.

Now let me turn back for just a moment to the facts our study is revealing.

We are finding that the majority of the family incomes lie below \$1500. Whether this is satisfactory for family living depends of course upon the size of the family, price levels prevailing in the community, and what the money is spent for.

Any family can check its food expenditures against the standards for good nutrition. From actual dietary studies we have found that from 1/3 to 1/2 the families of the country are inadequately fed. It is more difficult to check the adequacy of clothing and housing. But considering that families put their money into food first, it is probable that wherever food supplies are low, housing is substandard and clothing inadequate.

What I have just said about inadequate diets, substandard housing, and inadequate clothing for so many families in this country gives us cause to stop and think as we start on the new year just ahead.

Why should these things be? Science has pointed the way to better methods of living. Now we must work out better methods of distribution, which will enable everybody to enjoy the level of living which the great resources of our country make possible.

This, as I see it, is a cause to which the Bureau of Home Economics dedicates itself. For in a democracy the increased well-being of the people is the fundamental goal.

It is the responsibility of home economists to make family expenditure studies which will provide facts needed in formulating public policies. These will help to show how the nation's productive capacities can be adjusted to provide satisfactory levels of living for the entire population, not merely for a portion of it. And at the same time it is important that we should know what wage levels are necessary if all families are to be able to purchase the goods required for an adequate level of living.

And now a Happy New Year to you all.

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